

STATE MINING CORPORATION



STAMICO STRATEGIC PLAN 2017/18-2020/21

Revised February 2018

EXECUTIVE SUMMARY

The third STAMICO's Strategic Plan covers a four years period from 2017/18 to 2020/21 with a view of aligning corporate goals with national development goals outlined in the National Five-Year Development Plan II (FYDP II) covering the period from 2016/17-2020/2021. Major obstacles to the successful implementation of the previous strategic plan 2014/15-2018/19 were financial constraints, inadequate staffing and working tools, improper management of subsidiaries and JV projects, and delaying of appointment of the Corporation Board of Directors.

This Strategic Plan aims at addressing the goals of the FYDP II as well as overcoming the challenges faced in previous strategic plan and establishing priorities in building a self-sustaining Corporation contributing significantly to the national economy, Government revenues, and facilitating transformation of artisanal and small scale miners. The plan will also act as a guiding tool to facilitate the process of operationalizing new investment opportunities in light of STAMICO's roles and spur the Nation's industrialization Agenda.

The corporate strategic plan has addressed six strategic objectives aimed at providing a strategic direction or roadmap of STAMICO in the next four years and guides the implementation processes which require amounting to TZS 28.4 Billion for its achievement. As such the aforementioned objectives set a yardstick for realizing STAMICO's strategic vision and mission through adoption of various strategies. During implementation of this Strategic Pan the Corporation has planned to develop five projects namely; Kabulo-Kiwira coal mine, Buhemba gold mine, Stone quarry project, Kyerwa tin buying project and develop its licenses.

The results envisioned in the corporation's Strategic Plan will be measured through Key Performance Indicators (KPIs), which will provide a basis for monitoring and evaluation of the Strategic Plan implementation and achievements of the Corporation goals.

STAMICO will strive to be an agent for change in the new paradigm envisioned by the FYDP II, by providing quality market-driven services in management of mining investments, drilling, consultancy services and development of artisanal and small scale miners as well as engaging in mineral beneficiation and value addition activities.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	i
TABLE OF CONTENTS	ii
LIST OF ABBREVIATIONS AND ACRONYMS	i
STATEMENT OF THE CHAIRMAN OF THE BOARD	iii
CHAPTER ONE: INTRODUCTION	1
1.1 INTRODUCTION	1
1.2 STAMICO ORGANIZATION STRUCTURE	2
1.3 INSTITUTIONAL SET-UP	2
1.4 STAMICO GROWTH PILLARS	4
1.5 METHODOLOGY	4
1.6 OBJECTIVE OF THE PLAN	6
1.7 LAYOUT OF THE PLAN	6
CHAPTER TWO	7
SITUATIONAL ANALYSIS	7
2.0 INTRODUCTION	7
2.1 EVALUATION OF PREVIOUS STRATEGIC PLAN	7
2.2 STAKEHOLDERS ANALYSIS	19
2.3 SWOC ANALYSIS	21
2.4 CRITICAL ISSUES	25
CHAPTER THREE	26
THE STRATEGIC PLAN 2017/18 – 2020/2021	26
3.1 INTRODUCTION	26
3.2 ASSUMPTIONS OF THE STRATEGIC PLAN 2017/18-2020/21	26
3.3 VISION	26
3.4 MISSION	27
3.5 MOTTO	27
3.6 PHILOSOPHY	27
3.7 CORE VALUES	27
3.8 OBJECTIVES	28
3.8.1 Objective Rationale	29
3.8.2 Strategic Plan Matrix	29
CHAPTER FOUR	39
RESULTS FRAMEWORK, MONITORING AND EVALUATION	39
4 Results Framework	39
4.1 Introduction	39
4.2 Development Objective	39

4.3 Stakeholders For Implementation Of The Strategic Plan.....	39
4.4 Linkage With National Five Year Development Plan II.....	40
4.5 Results Chain.....	41
4.6 The Results Framework Matrix	41
4.7 MONITORING, EVALUATION AND REPORTING.....	45
4.7.1 Monitoring Plan	47
4.7.2 MONITORING METHODS	48
4.8 Planned Reviews.....	65
4.8.1 Review Meetings	65
4.8.2 Planned Milestone Review	66
4.8.3 Evaluation Plan	66
4.8.4 Evaluation Methods	66
4.9 REPORTING PLAN.....	68
4.9.1 Internal Reporting Plan	68
4.9.2 External Reporting Plan	69
4.10 FINANCIAL ASPECTS OF THE 2017-2022	70
4.10.1 Financial Resources Requirements.....	70
CHAPTER FIVE:.....	71
RISK MANAGEMENT	71
5.1 INVESTMENT RETURNS AND RISK	71
5.2 KEY RISKS STAMICO WILL FACE	71
5.3 RISK MITIGATION STRATEGIES.....	74

LIST OF TABLES

Table 1: Corporation Directorates	3
Table 2: Corporation Units.....	3
Table 3: Status of Implementation of the Objectives of 2014/2015 -2018/19 Strategic Plan	8
Table 4: Stakeholders Analysis and Profile	19
Table 5: SWOC Analysis	22
Table 6: STAMICO Core values.....	27
Table 7: STRATEGIC PLAN IMPLEMENTATION MATRIX	30
Table 8: Result Framework.....	42
Table 9: Monitoring and Evaluation Matrix	49
Table 10: Review Meetings.....	65
Table 11: Internal Reporting.....	68
Table 12: External Reporting	69

LIST OF ABBREVIATIONS AND ACRONYMS

AIDS	- Acquired Immune Deficiency Syndrome
ASM	- Artisanal and Small Scale Miners
CAG	- Controller and Auditor General
CA	- Chief Accountant
CIA	- Chief Internal Audit
CS	- Corporate secretary
DF	- Directorate of Finance
DHRA	- Directorate of Human Resources and Administration
DIM	- Directorate of Investment and Marketing
DMES	- Directorate of Mining and Engineering Services
FYDP	- Five Years Development Plan
GST	- Geological Survey of Tanzania
HICT	- Head of Information and Communication Technology
HIV	- Human Immunodeficiency Virus
HPMU	- Head of Procurement Management Unit
ICGLR-RCM	- International Conference of Great Lakes Region- Regional Certification Mechanism.
JV	- Joint Venture
M&E	- Monitoring and Evaluation
MDAs	- Ministries, Department and Agencies
MEM	- Ministry of Energy and Minerals
MoF	- Ministry of Finance
MoU	- Memorandum of Understanding
MTEF	- Medium Term Expenditure Framework

- NGOs - Non-Governmental Organisations
- OPRAS - Open Performance Appraisal System
- PCCB - Prevention and Combating of Corruption Bureau
- SP - Strategic Plan
- STAMICO - State Mining Corporation
- SWOC - Strengths, Weaknesses, Opportunities and Challenges

STATEMENT OF THE CHAIRMAN OF THE BOARD

On behalf of the Board of Directors of the State Mining Corporation, It is my pleasure to present the Corporation's Strategic Plan for the period 2017/18-2020/21, which integrates objectives and goals that meet the Corporation's vision and mission.

The vision of the Corporation is to become a robust investor in the mining Industry in Tanzania. The Corporation's vision is supported by its mission to invest strategically in the mining industry, and provide quality technical services in partnership with private sector in order to spur industrialization.

The mandated responsibilities of the Corporation are to increase contribution of the mineral sector to the national economy through mineral exploitation and mining, increase Government participation in mining ventures; and promoting and facilitating the transformation of artisanal and small scale miners into well organized, sustainably productive and environmentally conscious mining operations.

This four-year Strategic Plan is aimed at achieving the following six strategic objectives:

- i. increasing revenue collection from investments in mining operations, mineral trading, and geological and mining technical and consultancy services;
- ii. facilitating transformation of Small-scale mining into well-organized, productive and environmentally friendly operations;
- iii. improving human resources and corporate administration;
- iv. improving efficiency of internal management within the Corporation;
- v. Reducing HIV/AIDS infections and improving support to infected staff; and
- vi. Elimination of corruption practices in implementation of STAMICO activities.

It is my expectation that full implementation of this strategic plan will meet STAMICO's Vision and Mission, as well as contributing to national development goals and the industrialization agenda.


Amb. Alexander A. Muganda
Board Chairman

CHAPTER ONE: INTRODUCTION

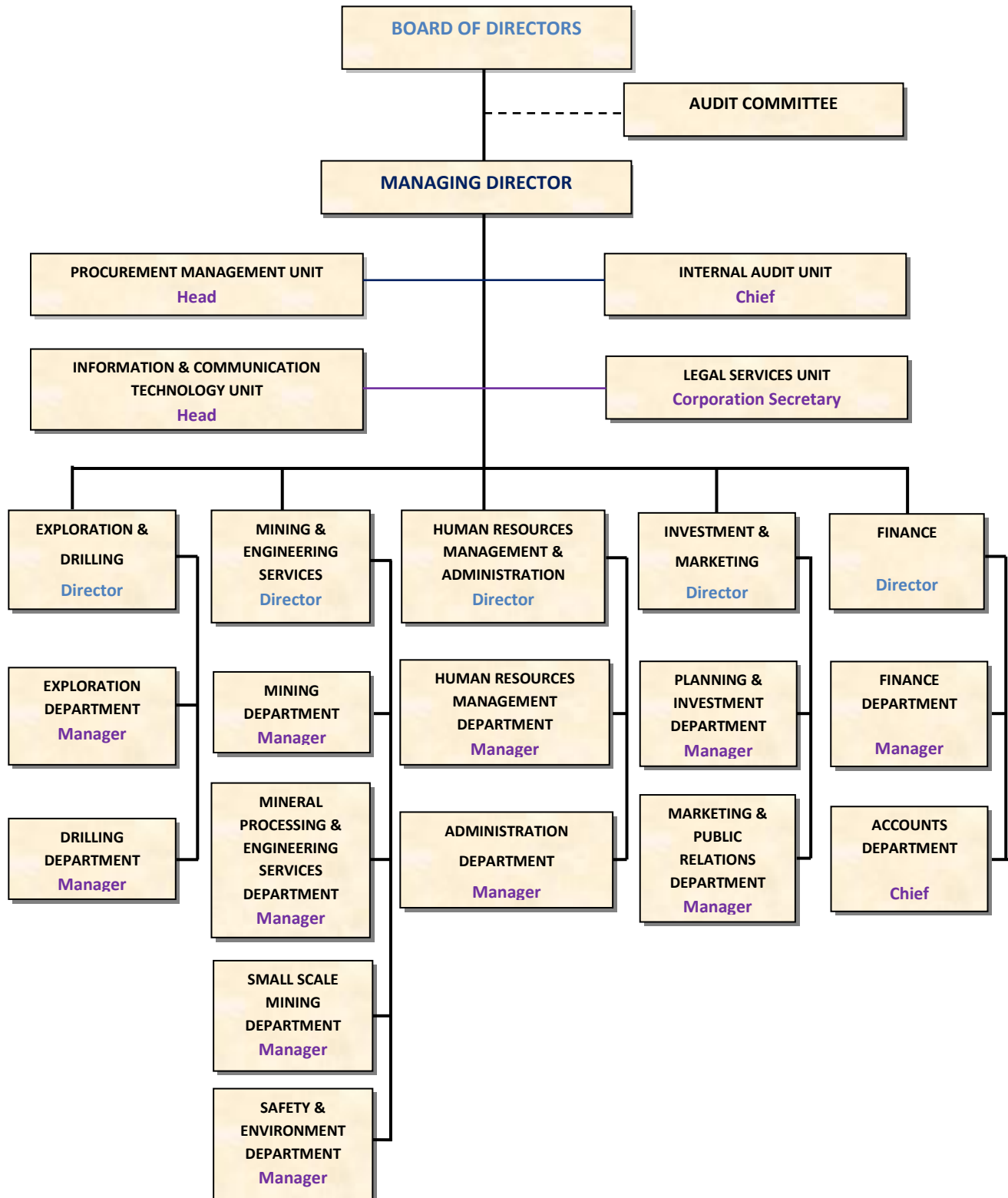
1.1 INTRODUCTION

The State Mining Corporation (STAMICO) is a wholly-owned Government enterprise established in 1972 under the Public Corporations Act, 1969. STAMICO was restructured in 2015 through the Public Corporations (State Mining Corporation) (Establishment) (Amendment) Order, 2015 dated 05th March 2015.

From its inception, STAMICO was given a mandate to develop mining Industry in Tanzania. Following restructuring carried out in 2015, STAMICO, was mandated to perform the following functions;

- i. to acquire by agreement and hold interests in any undertaking associated with exploration, prospecting and mining of minerals;
- ii. to acquire mineral rights and conduct or engage in mineral prospecting and mining operations;
- iii. to carry out consultancy services, contract works, feasibility studies and environmental studies in accordance with relevant laws;
- iv. to establish corporate entities or firms for the purposes of carrying out projects or engaging in mining of, prospecting, refining, grading, producing, cutting, processing, buying or selling or marketing of minerals whether alone or in joint venture with strategic partners;
- v. to participate in any stock market;
- vi. to promote, facilitate or support transformation of artisanal and small scale mining into well organised mining;
- vii. to deal, or lease out exploration, drilling, mining equipment and machinery;
- viii. to import, export, manufacture and maintain mining equipment and machinery;
- ix. to manage affairs of the Corporation, company, firm or other body whose interest are transferred to or acquired by the Corporation; and
- x. to carry on its business, operations and activities either within the country or elsewhere whether as principal agent, contractor or otherwise.

1.2 STAMICO ORGANIZATION STRUCTURE



INSTITUTIONAL SET-UP

Based on the current organizational structure, the Corporation has the following Directorates and Units;

Table 1: Corporation Directorates

No	DIRECTORATE	OBJECTIVES
1	Exploration and Drilling	To direct mineral prospecting and provide geological and drilling consultancies.
2	Mining and Engineering Services	To direct development and operation of mines and mineral processing plants; provide mining engineering services and technical support to small scale miners
3	Investment and Marketing	To direct Corporate investments, Marketing of mineral products and promotion of Corporation activities.
4	Finance	To direct and manage financial resources for the Corporation
5	Human Resource Management and Administration	To direct human resources management and staff administration for the Corporation

Table 2: Corporation Units

No	UNITS	OBJECTIVES
1	Legal Services	To manage and advise on legal matters pertaining to the Corporation.
2	Information & Communication	To develop and manage Information and Communication Technology system of the

	Technology	Corporation.
3	Internal Audit	To conduct audits and provide management oversight on financial matters and activities of the Corporation.
4	Procurement Management	To advise and manage economic procurements and disposal of Corporation's assets

1.4 STAMICO GROWTH PILLARS

STAMICO will base its growth on the following pillars:-

- i. **Human Resources:** STAMICO will strive to invest in its human capital so as to attain the Corporation goals;
- ii. **Investment Capital:** STAMICO will explore various project financing models to ensure smooth operations of its projects and activities;
- iii. **Exploration:** This will drive present and future development of mineral resources for sustaining Corporation growth;
- iv. **Sustainability:** STAMICO will strive to address sustainability across its project areas to ensure its contribution to the National development agenda, in an equitable and environmentally friendly manner; and
- v. **Innovation:** STAMICO will continuously innovate through the use of modern technology in order to optimize products and services in line with the country industrialization drive.

1.5 METHODOLOGY

A participatory approach was adopted and used in the process of developing this strategy. STAMICO staff were involved at all levels in providing inputs to the development of the Plan. The development process for this Strategic Plan involved review of documents, brainstorming sessions, and focus group discussions. External experts were also involved to provide guidance and sharpening of ideas.

The objectives were formulated in order to align STAMICO's vision and mission with Fifth phase Government development goals and the objectives of the Ministry of Minerals. In this regard, the formulation process involved reflection of national level strategic guidance. Key documents that were referred include Tanzania's Development Vision 2025, the Second National Five Years Development Plan 2016/17 – 2020/21, and the ruling party Election Manifesto 2015. The Natural Wealth and Resources (Permanent Sovereignty) Act, 2017. The speech by the President of the United Republic of Tanzania, His Excellency Dr. John Pombe Joseph Magufuli, when officially inaugurating the 11th Parliament of the United Republic of Tanzania in Dodoma, 20th November, 2015 was also reflected upon.

Mineral Policies 2009, Mining Act 2010 and its Amendments, and Mineral sector Strategies, and the reform measures currently being undertaken by the Fifth Phase Government within the motto of “Hapa Kazi Tu” and Tanzania's “Industrialization agenda” were considered.

Furthermore, the results from Self-Assessment Survey and inputs from the lessons obtained from the implementation reports of the preceding strategic plan 2014/2015 – 2018/2019 were also taken into account. In developing the plan, a deep situation analysis was carried out, which included Performance Review, Stakeholders Analysis, Strengths, Weakness, Opportunities and Challenges (SWOC) Analysis where the critical issues were identified and used

as a basis for developing Objectives, Strategies, Targets, Key Performance Indicators and development of the Results Framework.

1.6 OBJECTIVE OF THE PLAN

The overall objective of this Plan is to provide a strategic direction on how to achieve STAMICO's vision to become a robust investor in the mining industry in Tanzania in view of the Second National Five-Year Development Plan 2016/17 – 2020/21. The Strategic Plan creates a strategic framework and common standards to guide staff, departments and other stakeholders in achieving the mission and vision of the Corporation.

1.7 LAYOUT OF THE PLAN

This Strategic Plan is structured into five main chapters;

Chapter One provides an historical background of STAMICO, methodology used to develop the plan, objective and layout of the Plan.

Chapter Two presents the situation analysis, which covers performance review of the preceding strategic plan 2014/2015 – 2018/19, stakeholders' analysis, SWOC analysis, and critical issues.

Chapter Three presents details of the Plan, which contains vision and mission, core values, Objectives, Strategies, Targets, Key Performance Indicators, Activities and Activity Cost.

Chapter Four focuses on the Results Framework which comprises of the planned outcomes, the monitoring plan, planned reviews, evaluation plan, internal and external Reporting Plans, Financial Resources Requirements and Cash Flow Projections.

Chapter Five comprises identification of Risks in Corporation activities and operations and proposes possible ways of mitigating them.

CHAPTER TWO

SITUATIONAL ANALYSIS

2.0 INTRODUCTION

The chapter covers a detailed review of situational analysis. In particular, the section presents evaluation of the previous strategic plan, stakeholders' analysis and Strength, Weaknesses, Opportunities and Challenges (SWOC) analysis of the Corporation. These three key parts of the section are then used to deduce the critical issues and priority areas that gear this new strategic plan.

2.1 EVALUATION OF PREVIOUS STRATEGIC PLAN

The evaluation part reveals the details of implementation of 2014/2015 -2018/19 Strategic Plan providing a detailed performance of individual objectives.

The previous Strategic Plan was developed to cover five years period from 2014/15 -2018/19 though the Corporation has shorten its implementation due to changes occurs in the National. Basically after entrance of the Fifth Government in 2015, National programs have been reviewed to cater the 2015 CCM Manifesto and the President priorities. As a result of changes made in various programs on which the Corporation strived to implement, it was deemed necessary to review the Corporation Strategic Plan that provides frameworks and direction to implement Government priorities as highlighted in the FYDP II.

Table 3: Status of Implementation of the Objectives of 2014/2015 -2018/19 Strategic Plan

STRATEGIC OBJECTIVE	ACHIEVEMENTS		% IMPLEMENTED	CONSTRAINTS	WAY FORWARD
	TARGETS	TARGET IMPLEMENTATION STATUS BY JUNE 2017			
Increase revenue by TZS. 40 billion from Investment in mining operations, mineral trading, geological, drilling and mining consultancy services by June, 2019	TZS 9.0 Billion of revenue to be collected from mineral trading by June 2019.	TZS 1.06 Billion of revenue (11.8%) has been collected from mineral trading out of the targeted TZS 9.0 Billion by June 2019.	11.8%	<ul style="list-style-type: none"> Financial constraints; Non implementation of ICGLR-RCM in Tanzania which restricts tin export from Tanzania 	<ul style="list-style-type: none"> Address tin export restriction; Continue to solicit for funds from financial Institutions.
	TZS 22.2 Billion of revenue collected from mining operations and consultancies by June 2019	TZS 4.58 Billion of revenue (20.6%) has been collected from mining operations and consultancies out of the targeted TZS 22.2 Billion by June 2019.	20.6 %	<ul style="list-style-type: none"> Lopsided contracts for joint venture projects Decline in gold, tanzanite and tin prices in the world market. 	<ul style="list-style-type: none"> Reviewing presence Joint Venture contract; Improve Corporation projects documents; Continue to solicit for funds from financial Institutions to invest in Corporation strategic projects.
	TZS 8.8 Billion of revenue collected from drilling and geo consultancies	5.56 Billion of revenue (63.2%) has been collected from drilling and geo consultancies out of the targeted TZS 8.8 Billion by June 2019.	63.2%	<ul style="list-style-type: none"> Increased Competition from other drilling Companies in the market. Decline in metal price in the world market and associated decline in 	<ul style="list-style-type: none"> To equip Corporation with modern technology and modern drilling rigs and equipment; Increases

STRATEGIC OBJECTIVE	ACHIEVEMENTS		%	CONSTRAINTS	WAY FORWARD
	TARGETS	TARGET IMPLEMENTATION STATUS BY JUNE 2017			
				risk capital;	promotion of products offered by STAMICO.
	Thirty percentage (30%) increase in sales value of STAMICO's products and services	Total sales value decreased by 49% by June 2017.	-49%	<ul style="list-style-type: none"> Financial constraints to sustain investment in buying and selling of minerals products. 	<ul style="list-style-type: none"> Continue to solicit for funds from various sources to conduct a sustainable minerals trading business; Increase promotion of services offered by the Corporation to its stakeholders.
Secure six investors for joint-venture partnership in the development of new STAMICO projects and mineral properties by June, 2019	18.5 percentage increase in value of shares owned by STAMICO	No increase (zero percentage) value of shares owned by STAMICO	0	<ul style="list-style-type: none"> Inadequate financial resources to invest in intended Corporation projects (Kiwira, Buhemba). 	<ul style="list-style-type: none"> Continue sourcing of funds from different sources; Continue advertising corporation projects to secure potential partner.
	Six (6) number of JV partners secured on potential projects	No new JV partners (0%) secured on potential projects	0	<ul style="list-style-type: none"> Inadequate project documents Lack of clear Corporation investment policy; Inadequate preparation 	<ul style="list-style-type: none"> Timely preparation of project documents; Increase exploration Preparation of

STRATEGIC OBJECTIVE	ACHIEVEMENTS			CONSTRAINTS	WAY FORWARD
	TARGETS	TARGET IMPLEMENTATION STATUS BY JUNE 2017	% IMPLEMENTED		
Explore twenty (20) mineral prospecting licenses by June, 2019	Twenty (20) mineral prospecting licenses explored	Five (5) mineral prospecting licenses (25%) has explored out of the targeted 20.	25%	<ul style="list-style-type: none"> Lack of funds for conducting exploration. 	<ul style="list-style-type: none"> Mobilize fund for own exploration; Finding JVs for mineral exploration.
Facilitate accessibility to investment capital, mineral market and equipment to 200 small scale miners by June 2019	200 small scale miners accessed with credits and grants by June 2019	124 small scale miners (62%) accessed with credits and grants out of the targeted 200.	62%	<ul style="list-style-type: none"> Inadequate capacity among ASM to implement transformation projects; Inadequate availability of funds. 	<ul style="list-style-type: none"> Continue to supervise establishment of Centres of excellence; Continue to offer technical training to small scale miners; To improve small scale mining
	200 small scale miners with access to appropriate and affordable equipment by June 2019	124 small scale miners (62%) with access to appropriate and affordable equipment	62%		

STRATEGIC OBJECTIVE	ACHIEVEMENTS			CONSTRAINTS	WAY FORWARD
	TARGETS	TARGET IMPLEMENTATION STATUS BY JUNE 2017	% IMPLEMENTED		
	35 percentage change in number of small scale miners accessing mineral market through mining portal by June 2019	10% number of small scale miners accessing mineral market through mining portal out of 35%targeted.	10%		portal.
	35 Percentage changes of small scale miners accessing mineral market by June 2019.	10% of small scale miners accessing mineral market out of 35%targeted.	10%		
Enhance self-transformation in six ASM concentrated mining areas into a well organised mining centres by June, 2019.	Six (6) small scale centres with access to geological information	Six (6) small scale centres (100%) has access to geological information out of six (6) targeted.	100%	<ul style="list-style-type: none"> Inadequate project coordination; 	<ul style="list-style-type: none"> Improve project coordination mechanism (SMMRP)
	Six (6) small scale centres with appropriate knowledge on mining and mineral processing	One (1) small scale mining centre (Nyamswa-Buhemba)(33%) attained appropriate knowledge on mining and mineral processing	33%	<ul style="list-style-type: none"> Inadequate project coordination; 	<ul style="list-style-type: none"> Improve project coordination mechanism (SMMRP)

STRATEGIC OBJECTIVE	ACHIEVEMENTS		% IMPLEMENTED	CONSTRAINTS	WAY FORWARD
	TARGETS	TARGET IMPLEMENTATION STATUS BY JUNE 2017			
	technologies	technologies out of 3 targeted			
	Six (6) small scale centres with appropriate mineral production records	One (1) small scale mining centre (Lwamgasa) (16.7%) attained appropriate mineral production records out of 6 targeted.	16.7%	<ul style="list-style-type: none"> Inadequate project coordination; 	<ul style="list-style-type: none"> Improve project coordination mechanism (SMMRP)
	Six (6) scale centres complying to health, safety and environmental guidelines	One small scale mining centre (Nyamswa-Buhemba) (16.7%) accessed training on complying to health, safety and environmental guidelines out of 6 targeted.	16.7%	<ul style="list-style-type: none"> Inadequate project coordination; 	<ul style="list-style-type: none"> Improve project coordination mechanism (SMMRP)
Improve procurement legal services and ICT infrastructure by June, 2019	100 computers and peripherals procured, rehabilitated and serviced	45 computers (45%) and peripherals procured, rehabilitated and serviced out of targeted 100.	45%	<ul style="list-style-type: none"> Inadequate availability of fund; 	<ul style="list-style-type: none"> Continue Sourcing own funds to procure ICT equipment
	Three (3) ICT systems rehabilitated and	Two (2) ICT systems (66%) (Vulcan and Epicor) rehabilitated	66%	<ul style="list-style-type: none"> Inadequate availability of fund; 	<ul style="list-style-type: none"> Continue Sourcing own funds to procure

STRATEGIC OBJECTIVE	ACHIEVEMENTS			CONSTRAINTS	WAY FORWARD
	TARGETS	TARGET IMPLEMENTATION STATUS BY JUNE 2017	% IMPLEMENTED		
	serviced	and serviced			ICT equipment
	Maximum four (4) days taken between submission of requirement to receipt of goods and services	Target 100% achieved	100%		<ul style="list-style-type: none"> Continue align with the Government requirements and directives.
	Maximum two (2) days taken to deliver goods to user department after suppliers delivery	Target 100% achieved	100%		
	100% of tendering procedures completed within planned time	85% of tendering procedures completed within planned time	85%	Lack of funds	Strive to mobilize funds
	Ninety Five (95%) Capacity to negotiate and enforce better terms in contracts	Attained fifty percent (50%) on Capacity to negotiate and enforce better terms in contracts	50%	<ul style="list-style-type: none"> Lopsided contracts for projects and minerals trading 	<ul style="list-style-type: none"> Reviewing existing contracts and develop better contracts on the coming engagements;

STRATEGIC OBJECTIVE	ACHIEVEMENTS			CONSTRAINTS	WAY FORWARD
	TARGETS	TARGET IMPLEMENTATION STATUS BY JUNE 2017	% IMPLEMENTED		
Improve control, mobilisation and management corporate financial resources by June, 2019	Unqualified type of audit report issued by CAG	Target 100% achieved	100%		<ul style="list-style-type: none"> Continue to Improve control, mobilisation and management corporate financial funds.
	Seventeen (17) audit queries raised	39 audit queries have been raised out of 17 targeted.	-129%		
	40.1 Billions of revenues collected	Revenue amounted TZS 8.35 Billion (20.8%) has been collected out of the targeted TZS 40.1 Billions.	20.8%		
	25.7 Billion to be raised from financial institutions for investment projects	Not achieved (0%)	0	<ul style="list-style-type: none"> Stringent borrowing conditions from financial Institutions; Government withdraw guarantees for borrowing; Inadequate bankable project information 	<ul style="list-style-type: none"> Prepare write ups to request Government to grant guarantee and consent to borrow from financial institutions. Prepare bankable project information Secure potential

STRATEGIC OBJECTIVE	ACHIEVEMENTS			CONSTRAINTS	WAY FORWARD
	TARGETS	TARGET IMPLEMENTATION STATUS BY JUNE 2017	% IMPLEMENTED		
					Joint Venture partners.
	25 reports to be prepared and submitted on due date	15 reports have been prepared and submitted (100%) out of 15 budgeted	100%		
	Fifteen (15) audits completed within planned time	Twelve (12) audits (100%) have been completed within planned time out of 12 budgeted.	100%		
	90% of internal audit recommendation implemented by management	60% of internal audit recommendation has implemented by management	60%		
	Fifteen (15) request for ad hoc advises/assistance from management attended	Five (5) request for ad hoc advises/assistance (100%) from management has been attended	100%		
Reduce spread of HIV/AIDS at	Above Ninety percent (90%) of staff undergone	Thirty five percent (35%) of staff has	35%	• Financial constraints	• Continue to offer training on

STRATEGIC OBJECTIVE	ACHIEVEMENTS			CONSTRAINTS	WAY FORWARD
	TARGETS	TARGET IMPLEMENTATION STATUS BY JUNE 2017	% IMPLEMENTED		
the work place by June, 2019;	voluntary HIV testing	undergone voluntary HIV testing			HIV/AIDS to staff; • Continue to offer sensitization and advocacy on HIV/AIDS; • Develop corporate HIV/AIDS policy
	All identified HIV affected staff receiving supportive services	No staff (0%) has received supportive service.	0		
Ensure adherence to occupational health, safety, and environmental guidelines in the STAMICO office premises and its projects by June, 2019	100% rate of compliances on occupational health, safety and environmental regulations in STAMICO projects.	85% rate of compliances on occupational health, safety and environmental regulations in STAMICO projects has been attained	85%	• Lack of funds • Inadequate staff • Inadequate funds;	• Secure sufficient funds • To adhere with safety and health compliance • Continue soliciting funds to equip the Corporation with safety equipment.
	100% availability of safety equipment at work place and Percentage of staff with personal protective equipment.	85% of safety equipment at work place and Percentage of staff with personal protective equipment has been attained.	85%		
Prevent corruption at work place	Zero reported corruption incidences	One (1) corruption incidence was reported.	95%	• Lack of in house sensitization training	• Preparation of corporate Anti-

STRATEGIC OBJECTIVE	ACHIEVEMENTS			CONSTRAINTS	WAY FORWARD
	TARGETS	TARGET IMPLEMENTATION STATUS BY JUNE 2017	% IMPLEMENTED		
and ensure corruption free working environment by June, 2019					corruption strategy
Provide Conducive working environment for STAMICO staff June, 2019	100 percent of staff equipped with full required office working facilities	70% of staff equipped with required office working facilities.	70%	<ul style="list-style-type: none"> Inadequate funds; 	<ul style="list-style-type: none"> Continue initiatives to secure funds to procure office working facilities.
	Client Service Charter in place and Effective use of HR Plan, OPRAS.	Client service charter in place and effective HR Plan in use. OPRAS implementation achieved by 83%	83%	<ul style="list-style-type: none"> Inadequate awareness on OPRAS 	<ul style="list-style-type: none"> Create more awareness on use of OPRAS
Improve Human resource management by June, 2019	Employee turnover rate to be below 5%	Employee turnover rate was 9%.	20%	<ul style="list-style-type: none"> Inadequate motivation 	<ul style="list-style-type: none"> Improve working environment
	100 Percentage of filled vacant posts	44% of vacant posts have been filled.	44%	<ul style="list-style-type: none"> Delaying of recruitment approval from the President's Office, Public Service Management and Good Governance. 	<ul style="list-style-type: none"> Continue apply for the recruitment approval to fill the existing vacancies.

STRATEGIC OBJECTIVE	ACHIEVEMENTS			CONSTRAINTS	WAY FORWARD
	TARGETS	TARGET IMPLEMENTATION STATUS BY JUNE 2017	% IMPLEMENTED		
	11 staff promoted	No staff has been promoted.	0		
Promote capacity building to staff by June, 2019	Forty (40) staff attending short courses training	33 staff attended short course training	82.5%	<ul style="list-style-type: none"> Lack of funds to support training program 	<ul style="list-style-type: none"> Secure funds Continue to find scholarships for staff.
	Eight (8) staff attending long course	25 staff attended long course	312.5%		

2.2 STAKEHOLDERS ANALYSIS

The analysis of key stakeholders was also carried out in the course of preparation of 2017/2018 to 2020/2021 Strategic Plan. These stakeholders ranged from Government Ministries, Department, Agencies, partners, clients, and our trade partners. Table 4 summarizes stakeholders' analysis profile.

Table 4: Stakeholders Analysis and Profile

No	KEY STAKEHOLDERS	Stakeholders' expectations from STAMICO	STAMICO's activities which address stakeholders' expectations
1	Ministries, Department and Agencies (MDAs), Community, Politicians and NGOs	<ul style="list-style-type: none"> ▪ Contributing to the National GDP; ▪ Observe Anti-Corruption and reduce HIV/AIDS spread in working place; ▪ Effective implementation of National and Sectoral Policies; ▪ Better management of resources; ▪ Timely provision of Implementation reports. ▪ Compliance to laws and regulations ; ▪ Mainstreaming gender and social equity ; ▪ Professionalism ▪ CSR initiatives 	<ul style="list-style-type: none"> ▪ Timely submission of Corporation Implementation reports; ▪ Adherence to National policies in working place. ▪ Compliance with Government directives. ▪ Strengthen monitoring and evaluation of corporation projects; ▪ Develop and adhere Anti-corruption policy; and ▪ Training staff on HIV/AIDS and support affected staff

No	KEY STAKEHOLDERS	Stakeholders' expectations from STAMICO	STAMICO's activities which address stakeholders' expectations
2.	Board of Directors	<ul style="list-style-type: none"> ▪ To develop projects and revenue generation to enable the Corporation finances its daily operations; ▪ Efficient management of Corporation projects; ▪ Compliance to National laws and regulations in working place 	<ul style="list-style-type: none"> ▪ Innovation and creativity in development of projects and creating income; ▪ Observe National laws, regulations and directives in working places; ▪ Adhere to professionalism in executing daily activities.
3.	Employees	<ul style="list-style-type: none"> ▪ Conducive working environment and adequate working tools and equipment ▪ Competitive remunerations and benefits ▪ Transparent and fair career development plans; ▪ Transparency and fairness in decision making 	<ul style="list-style-type: none"> ▪ Provide working facilities to staff; ▪ Implementation of capacity building programs; and ▪ Timely payment of personnel emoluments.
4.	JV partners and Subsidiaries	<ul style="list-style-type: none"> ▪ Provide technical support; ▪ Provide financial and non-financial support ▪ Professionalism; ▪ Transparency; ▪ Diligence and honesty 	<ul style="list-style-type: none"> ▪ Quality, timely and reliable services
5	Suppliers and Customers	<ul style="list-style-type: none"> ▪ Timely payment of the offered services; ▪ Reliable and sustainable services; ▪ Quality goods and service delivery. 	<ul style="list-style-type: none"> ▪ Reliable and sustainable services
6	Artisanal and Small Scale	<ul style="list-style-type: none"> ▪ Timely technical and Market information ; ▪ Training and information 	<ul style="list-style-type: none"> ▪ Provision of geological and mineral resources information;

No	KEY STAKEHOLDERS	Stakeholders' expectations from STAMICO	STAMICO's activities which address stakeholders' expectations
	Miners (ASM)	sharing ; <ul style="list-style-type: none"> ▪ Professionalism; ▪ Guardianship; 	<ul style="list-style-type: none"> ▪ Operationalization of minerals buying projects
7	Academic Institutions and students	practical training opportunities; <ul style="list-style-type: none"> ▪ Minerals data and information for research purposes; ▪ Research collaboration 	<ul style="list-style-type: none"> ▪ Provision of practical training opportunities; ▪ Provision of research data.
8	Exploration and mining Companies.	<ul style="list-style-type: none"> ▪ Timely delivery ; ▪ Professionalism; 	<ul style="list-style-type: none"> ▪ Timely delivery
9	Mass Media	<ul style="list-style-type: none"> ▪ Timely release of project success stories ▪ Quick response to media enquiries ▪ Engagement to Corporate advocacy activities; 	<ul style="list-style-type: none"> ▪ Site visits ▪ Press conference and releases information ▪ Educational programs on mass media ▪ Media training

2.3 SWOC ANALYSIS

In summary, analysis of the internal and external situations in which STAMICO operates presents the following strengths weaknesses , opportunities and challenges (SWOC)

Table 5: SWOC Analysis

SN	AREAS	STRENGTHS	WEAKNESS	OPPORTUNITY	CHALLENGES
1.	Leadership and governance	<ul style="list-style-type: none"> • Qualified, Experienced and Committed Board of Directors, • Effective organizational structure 	<ul style="list-style-type: none"> • Unsatisfactory management of contracts • Vacant leadership positions 	<ul style="list-style-type: none"> • Strong Government support; • Well established governance frameworks. 	<ul style="list-style-type: none"> • Staff turn over
2.	Organizational Capacity	<ul style="list-style-type: none"> • Committed and skilled personnel; • Good team work • Availability of Internal rules and regulations 	<ul style="list-style-type: none"> • Inadequate staffing; • Inadequate practical experience; 	<ul style="list-style-type: none"> • Availability of training in education Institutions and operating mines; • Availability of experienced professional in the labour market 	<ul style="list-style-type: none"> • Employee turnover
3.	Procurement and Financial Management	<ul style="list-style-type: none"> • Availability of management tools such as Financial Regulations, Staff Regulations, and Schemes of Service; 	<ul style="list-style-type: none"> • Lack of funds to procure goods and services on time 	<ul style="list-style-type: none"> • Availability of National procurement laws and regulations 	<ul style="list-style-type: none"> • Inadequate disbursement of funds from the Government coffers; • Lack of business minded procurement regulations

SN	AREAS	STRENGTHS	WEAKNESS	OPPORTUNITY	CHALLENGES
4	Information and Communication Technology	<ul style="list-style-type: none"> • Presence of ICT infrastructures; • Presence of, ICT Policy and Regulations 	<ul style="list-style-type: none"> • Inadequate ICT equipment and tools; • Inadequate staff proficiency 	<ul style="list-style-type: none"> • Availability of modern ICT equipment and tools in the market; • Availability of on job training in mines and vendors; • Presence of e-Government Agency and National Data Centre. 	<ul style="list-style-type: none"> • Instability in Internet Service provider; • Presence of hackers in Corporate information system
5	Drilling and Consultancy services	<ul style="list-style-type: none"> • Presence of own drilling equipment; • Presence of modern 3D geological and mining software 	<ul style="list-style-type: none"> • Inadequate skilled drillers technician • Inadequate modern tools for down-hole survey and 2D modelling software 	<ul style="list-style-type: none"> • Abundant mineral resources ; • Availability of driller technicians in the market; • Available modern technology in the market. 	<ul style="list-style-type: none"> • Fluctuation of mineral prices in the market;
6	Investment and marketing	<ul style="list-style-type: none"> • Possession of prospective mineral concessions; • Presence of advanced projects in Kiwira, Buckreef and 	<ul style="list-style-type: none"> • Lack of investment funds; • Unfavourable agreements; • Lack of investment policy 	<ul style="list-style-type: none"> • Available financial Institutions; • Ongoing Government effort to review mining contracts; • Willing Joint Venture 	<ul style="list-style-type: none"> • Investment slowdown in the mining sector due to recession

SN	AREAS	STRENGTHS	WEAKNESS	OPPORTUNITY	CHALLENGES
		Buhemba; <ul style="list-style-type: none"> • Presence of two operating mines (STAMIGOLD and TanzaniteOne) 		partners and sponsors	

2.4 CRITICAL ISSUES

- i. Un-favourable procurement regulations in business environment;
- ii. Difficulties in accessing loans to the financial Institutions;
- iii. Delaying of fund disbursement for development projects;
- iv. Existence of multi directives from different Authorities;
- v. Delaying of employment approval to cover some vacant in the Corporation;
- vi. Non implementation of ICGLR-RCM in Tanzania which restricts tin export from Tanzania;
- vii. In adequate capacity among Artisanal and Small scale Miners to implement transformation projects;

CHAPTER THREE

THE STRATEGIC PLAN 2017/18 – 2020/2021

3.1 INTRODUCTION

This chapter presents the components of the Strategic Plan that are expected to be implemented and realized in four years period from 2017/18 to 2020/21. In particular, the chapter covers vision, mission, and core values. It also presents strategic objectives, strategies, targets, key performance indicators, and Activities.

3.2 ASSUMPTIONS OF THE STRATEGIC PLAN 2017/18-2020/21

The 2017/18 -2020/21 Strategic Plan assumes that:

- i) Financial and non-financial resources will be available;
- ii) Appropriate and favourable legislative and regulatory environment will continue to exist;
- iii) Stable and harmonious relationship between STAMICO, and the its key stakeholders will continue to exist;
- iv) Social, political and economic stability in the country will continue to prevail;
- v) Effective internal arrangement and mechanisms for the implementation of the plan will be instituted; and
- vi) Base line year data and information is 2016/17 financial year.

3.3 VISION

To be a world class investor in the mining industry to contribute significantly to sustainable National development.

3.4 MISSION

Invest strategically in the mining industry, and provides quality technical services in partnership with private sector to accelerate industrialization in Tanzania.

3.5 MOTTO

Mineral resources stimulus for industrialization of Tanzania

3.6 PHILOSOPHY

STAMICO strives to be an agent for change through innovation

3.7 CORE VALUES

Table 6: STAMICO Core values

<i>What drive us?</i>	<i>What bind us?</i>	<i>What guide us?</i>
<ul style="list-style-type: none">• Team work	<ul style="list-style-type: none">▪ Mutual trust and respect;▪ Visionary leadership;	<ul style="list-style-type: none">▪ Corporate vision and mission, guidelines and policies;▪ National laws and regulations;
<ul style="list-style-type: none">• Integrity	<ul style="list-style-type: none">• Honesty and objectivity;• Mentorship	<ul style="list-style-type: none">▪ Corporate management tools such as Financial Regulations, Staff Regulations, ICT Regulations and Schemes of Service▪ Anti-corruption policy and▪ codes of ethics and conduct

<i>What drive us?</i>	<i>What bind us?</i>	<i>What guide us?</i>
<ul style="list-style-type: none"> • Accountability 	<ul style="list-style-type: none"> • Clear roles and responsibilities; • Motivation; • Openness and transparency 	<ul style="list-style-type: none"> • Effective use of HR Plan, OPRAS and Corporate performance contract.
<ul style="list-style-type: none"> • Results Driven 	<ul style="list-style-type: none"> • Clear objectives and targets; • Strong leadership • Professionalism 	<ul style="list-style-type: none"> • Corporate Plan, MTEF, and Client service charter

3.8 OBJECTIVES

STAMICO has developed six (6) objectives that are expected to be achieved in the next four years from 2017/18 to 2020/21. These six objectives are in line with the major National roadmaps including the National Development Vision 2025, Five Year Development Plan 2016/17 – 2020/21, CCM Election Manifesto of 2015, Ministry of Minerals Strategic Plan and other Sectoral Policies and Stakeholders expectations. These objectives are the following:

- A. Revenue collection from investments in mining operations, Joint Venture projects, mineral trading, geological, drilling and consultancy services improved;
- B. Small-Scale mining developed into well-organized mining centers, productive and environmentally friendly operations;
- C. Human resources and corporate administration improved;

- D. Improving efficiency of internal management within the Corporation.
- E. HIV/AIDS infections reduced and support to infected staff improved; and
- F. Corruption practices in implementation of STAMICO activities eliminated

3.8.1 Objective Rationale

The overall objective of this Plan is to provide a strategic direction or roadmap of STAMICO in the next four years and guides the implementation process. As such the aforementioned objectives set as yardstick for realizing STAMICO's strategic vision and mission through adoption of various strategies as indicated in the 'Organizational Strategic Plan Matrix'.

3.8.2 Strategic Plan Matrix

Table 7 presents the strategic plan matrix comprising of objectives, strategies, targets, key performance indicators, Activities, and parties responsible for implementation of the strategic plan

Table 7: STRATEGIC PLAN IMPLEMENTATION MATRIX

Code	STRATEGIC OBJECTIVE	STRATEGIES	TARGETS	KEY PERFORMANCE INDICATOR	ACTIVITIES	RESPONSIBLE PERSON
A	Revenue collection from investments in mining operations, mineral trading, geological, drilling and consultancy services improved.	Supervise and manage STAMICO JV and Subsidiaries	Revenue from investment in mining operations and mineral trading increased by 12.9 billion TZS by June, 2021	Timely collection of management fee and dividends from TML tanzanite sales and operational profit	Collection of Management fees and dividends from TML	CA
				Increased export volume of cut and polished tanzanite	Monitoring and evaluate TML operations	DMES
				Timely collection of funds including delaying fee from the Buckreef gold project	Collection of funds from the Buckreef based on the JV Agreement	CA
					Monitor Implementation of Joint Venture Agreement	CS
				Timely collection of Management fees from STAMIGOLD	Collection of Management fees from STAMIGOLD	CA
				Export of refined gold	Monitoring and evaluate STAMIGOLD operations	DMES
		Operating Large scale and Power project		Start of revenue flows from Kiwira coal project	Collection of revenue from Kiwira Coal project	CA
				Production of household grade coal briquettes	Operationalization of Kiwira Coal to power project	DMES
		Operating medium scale mines		Increased revenue collection from Kabulo coal projects from 960 million to 1.6 billion	Collection of revenue from Kabulo coal project	CA
					Exploration works and resources confirmation	DED

Code	STRATEGIC OBJECTIVE	STRATEGIES	TARGETS	KEY PERFORMANCE INDICATOR	ACTIVITIES	RESPONSIBLE PERSON
				TZS	Implementation of Kabulo coal project	DMES
				Start of revenue flows from Buhemba gold projects	Collection of revenue from Buhemba project	CA
					Exploration works and resources confirmation	DED
					Operationalization of Buhemba gold project	DMES
				Start of revenue flows from quarry aggregates projects	Collection of revenue from aggregates products	CA
					Operationalization of Quarry Aggregate project	DMES
				Start of revenue collection from Industrial minerals	Collection of revenue from Industrial minerals projects	CA
		Upgrade Kyerwa Tin buying project		Profit from Tin buying project	Increase collection of revenue from Kyerwa Tin project	CA
						Establish smelting and crushing plan for value addition of purchased Tin
					Percentage increase in sales and performance of Corporation projects, JV, and Subsidiaries	Monitor sales, budget and expenditure of Corporation projects, JV and Subsidiaries
				Compliance of procurement regulation on Corporation projects, JV and Subsidiaries	Monitor procurement of goods and services in Corporation projects, JV and Subsidiaries	HPMU
		Offering improved	Revenue collection from	Increased Revenue collection from drilling	Improved Revenue collection from assets,	CA

Code	STRATEGIC OBJECTIVE	STRATEGIES	TARGETS	KEY PERFORMANCE INDICATOR	ACTIVITIES	RESPONSIBLE PERSON	
		drilling and consultancy services	assets, drilling and consultancy services and assets improved by 9.94 billion TZS by June, 2021	and geological consultancy	drilling and consultancies		
					Conduct drilling and geological consultancy	DED	
					Increased revenue collection from Mining, Mineral processing and Environmental consultancies	Collection Revenue from Mining, Mineral processing and Environmental consultancies	CA
						Offer Mining, Mineral processing and Environmental consultancies	DMES
		Supervise STAMICO assets and building		Timely collection of Rent from tenants	Collection of rent from Corporation houses	CA	
					Management of Corporation Assets	DHRA	
		Identifying strategic investors in the STAMICO licenses	Investors for joint-venture partnership in the development of five (5) new mineral properties, mining and mineral processing projects secured by June, 2021	Equitable JV Agreement negotiated successfully	Identifying of new mineral properties	DED	
					Develop new mineral properties	DIM	
		Improve Public awareness on STAMICOs	Improve public awareness of STAMICO	Number of TV and radio programs broadcasted	Prepare and broadcast TV, radio and social media programs	DIM	

Code	STRATEGIC OBJECTIVE	STRATEGIES	TARGETS	KEY PERFORMANCE INDICATOR	ACTIVITIES	RESPONSIBLE PERSON
		projects and Joint ventures	projects and activities by June, 2021	Number of promotional materials printed	Prepare and print promotional material for Corporation projects and services	
		Participate in local and international trade exhibitions and conferences		Number of domestic and international mining investment fora participated	Participate in domestic and international fora	
		Acquiring new prospecting areas Finding JVs for mineral property exploration	20 mineral prospecting licenses explored by June, 2021	Number of mineral prospecting licenses explored	Conduct geological exploration in Corporation Licenses	DED
B	Small-scale mining developed into well-organized mining centers, productive and environmentally friendly operations	Provision of improved mining and mineral processing technologies	80 small-scale miners formalized and developed by June, 2021	Number of small scale miners provided with access of improved mining and mineral processing technologies	Provision of technical training to small scale miners on mining and mineral processing technologies	DMES
		Enhance small scale miners organization		Small scale miners' organizations enhanced in their operations by June, 2021	Enhance small scale miners organization	DMES
		Provision of geological and mineral resources information	40 small scale miners trained in mining operations, technologies and	Number of small scale miners provided with access to geological and mineral resources information	Provide geological and mineral resources information.	DMES

Code	STRATEGIC OBJECTIVE	STRATEGIES	TARGETS	KEY PERFORMANCE INDICATOR	ACTIVITIES	RESPONSIBLE PERSON
			environmental issues by June, 2021			
		Establishment of Centres of Excellence	Conduct research based training on improving minerals processing technologies in Centres of Excellence	Research based training on improved mineral processing technologies conducted to small scale miners in the established Centres of Excellence Established mineral markets in ASM Centres	Supervise establishment of Centres of Excellence	DMES
C	Human resources and corporate administration improved	Provide working facilities to staff example office furniture, computers	Working facilities and environment improved by June, 2021	Percentage of staff equipped with full required office working facilities	To provide working facilities to staff	DHRA
		Application of permission to recruit new staff.	20 new staff recruited, 50 staff promoted, and 78 staff trained in long and short courses by June, 2021	Number of new qualified staff recruited	Recruitment of new staff	DHRA
		Promotion of qualified staff		Number of staff promoted	Promote qualified staff	DHRA
		Implementation of capacity building		Number of staff attending long courses	Implement Capacity building	DHRA

Code	STRATEGIC OBJECTIVE	STRATEGIES	TARGETS	KEY PERFORMANCE INDICATOR	ACTIVITIES	RESPONSIBLE PERSON
		programs		Number of staff attending short courses		DHRA
D	improving efficiency of internal management within the Corporation .	Adhere to the national procurement regulated Act.	Four (4) annual procurement plans implemented by June, 2021	Number of procurement plans prepared and submitted	Preparation and submission of procurement plans	HPMU
					Monitor implementation of Procurement Act	
		Contract Management Legal compliance	Improve legal services in Corporation, Joint Ventures and subsidiaries by June 2021	Percentage decrease in mineral disputes	Monitor the implementation of Joint Venture and other Corporation contracts	CS
			Improve public awareness of STAMICO projects and activities by June, 2021	Number of TV and radio programs	Prepare and broadcast TV, radio and social media programs	DIM
				Number of promotional materials	Prepare and print promotional material for Corporation projects and services	
	Timely release of financial statements. Increased	Four (4) unqualified audited financial reports by June, 2021	Number of Unqualified audited financial reports resulted from efficiency, transparency and	Unqualified financial reports	CA	

Code	STRATEGIC OBJECTIVE	STRATEGIES	TARGETS	KEY PERFORMANCE INDICATOR	ACTIVITIES	RESPONSIBLE PERSON
		transparency in financial management.		accountability in the use of public funds obtained annually		
				Percentage of internal audit recommendation implemented by management		CIA
		Procure and install efficient computer and network systems	Fibre Optic Infrastructure and Local Area Network installed and operationalized by June, 2021	Number of Peripherals procured, rehabilitated and serviced	Procure ICT infrastructure	HICT
				Number of ICT systems rehabilitated and serviced	Management of Improved ICT infrastructure	HICT
		To secure safety and environmental compliance certificates, assess and monitor Safety and Environmental compliance to all STAMICO projects	Compliance to occupational health, safety, and environmental laws and regulations by June, 2021	Compliance rate on occupational health, safety and environmental regulations in STAMICO projects	Monitor safety standards in Corporation projects	DMES

Code	STRATEGIC OBJECTIVE	STRATEGIES	TARGETS	KEY PERFORMANCE INDICATOR	ACTIVITIES	RESPONSIBLE PERSON
		To monitor installation of safety equipment at work place and distribution of personal protective equipment		Availability of safety equipment at work place and percentage of staff with personal protective equipment	Procure and distribute safety equipment	DMES
E	HIV/AIDS infections reduced and support to infected staff improved	Organize training, conduct voluntary counselling and Testing on HIV/AIDS to STAMICO staff	HIV/AIDS awareness campaigns conducted annually by June, 2021	Percentage of staff undergone Training and voluntary HIV testing	Organizing training and voluntary testing on HIV/AIDS to staff	DHRA
		Provide care and support (drugs and food supplement) to HIV affected staff	Support to HIV/AIDS infected staff provided by June, 2021	Number of staff with HIV receiving supportive services	Provision of care and support (drugs and food supplement) to HIV affected staff	DHRA
F	Corruption practices in implementation of STAMICO activities eliminated	Develop anticorruption strategy at the work place	Anti-Corruption Strategy developed and operationalized by June, 2021	Staff attending PCCB for corruption incidences	Develop and monitor Anti-Corruption policy	DHRA

Code	STRATEGIC OBJECTIVE	STRATEGIES	TARGETS	KEY PERFORMANCE INDICATOR	ACTIVITIES	RESPONSIBLE PERSON
		Conducting training on Government ethics	Training of staff on Government ethics conducted annually by June, 2021	Number of trainings conducted	Conduct training on Government ethics to all STAMICO staff	DHRA

CHAPTER FOUR

RESULTS FRAMEWORK, MONITORING AND EVALUATION

4 Results Framework

4.1 Introduction

This Chapter presents the framework for monitoring of Strategic Plan activities and on how results will be measured in long term. The Chapter presents the beneficiaries of STAMICO's services, the overall goal (Development Objective), links between objectives of this Strategic Plan and the National Planning Frameworks such as the Five-Year Development Plan II and the Tanzania Development Vision 2025. The Chapter further presents the planned reviews, evaluation plan and reporting plan.

4.2 Development Objective

The overarching objective of STAMICO is to be an efficient and profitable Government Corporation. STAMICO is set to invest strategically in the mining and minerals industry, and provide quality technical services in partnership with private sector in Tanzania and outside the country.

4.3 Stakeholders For Implementation Of The Strategic Plan

STAMICO has a number of stakeholders who are instrumental in the implementation of the Corporation Strategic Plan. They include Board of Directors, STAMICO Employees, Ministries, Department and Agencies (MDAs), Joint Venture partners and Subsidiaries, Suppliers & Service Providers, non-governmental organisations, media, and Artisanal and Small Scale Miners (ASM). The roles and responsibilities of some of these

stakeholders are outlines in respective areas of the monitoring and evaluation framework.

4.4 Linkage With National Five Year Development Plan II

The National Five Year Development Plan II (FYDP II) was the main basis for the development of this Strategic Plan. The FYDP II is characterised by three key attributes, notably: i) packaging and aligning interventions along development corridors, zones, and clusters; ii) fostering implementation effectiveness through a “business unusual” spirit, and iii) entrenching necessary policy and institutional reforms for enabling its implementation. These three attributes influenced the choice of implementation strategies and Key Performance Indicators.

STAMICO as a player in the mining and minerals industry, fits within the cluster concerned with interventions for fostering economic growth and industrialization. There are specific interventions in the FYDP II that have been mainstreamed in STAMICOS Strategic Plan in relation to coal for industrial and household use; providing formal markets and processing of precious metals and gemstones; Hire-purchase arrangements; and Conditional partnerships (foreign-local; large-small); STAMICO will also adopt the institutional reforms required for effective implementation of this Strategic plan, including instituting an effective monitoring and evaluation framework.

The Strategic Plan will also contribute to the FYDP II reforms to facilitate formalisation of artisanal and small-scale mining, in particular maintaining a comprehensive ASM database for easy planning of outreach programs. Moreover, STAMICO will continue supporting the development of ASM demonstration centres aimed at providing practical demonstrations of mineral processing technology in selected small-scale mining centres supporting these living

laboratories is one of the reforms entrenched in the FYDP II with respect to strengthening Local Economic Development (LED) initiatives.

4.5 Results Chain

STAMICO's Results Chain consists of outcomes, outputs, activities and inputs. A combination of the Objectives and Targets in the Strategic Plan and Activities and Inputs in the Medium Term Expenditure Framework (MTEF) forms Results Chain. The basic assumption is that, there is causal linkage in various elements of the company's Results Chain. The inputs (utilization of resources) will lead to achievement of the activities, which will contribute to achievement of targets.

Achievement of outputs will lead to achievement of objectives. Achievement of STAMICO's Development Objective in the medium term will contribute to the achievement of the National Five Years Development Plan goals. This chain of results will justify STAMICO's use of the tax payer's money into the various projects and thus contribute to the development of the Nation.

4.6 The Results Framework Matrix

This matrix Table 8 below contains STAMICO's overarching objective, objective code, objectives, planned outcomes and outcome indicators. The matrix envisions how the development objective will be achieved and how the results will be measured. The indicators in the matrix will be used to track progress towards achievement of planned outcomes and objectives. It should be noted that achievement of STAMICO's overall objective will be contributed by several other players, and may not be solely attributed to interventions under this strategic plan.

Table 8: Result Framework

Development Objective/Goal	Objective Code	Medium Term Objective	Intermediate Outcome	Outcome Indicator
Revenue collection from investments and services increased	A	<ul style="list-style-type: none"> ▪ Operationalization of Kabulo Coal mine, Buhemba gold processing and Stone aggregates projects; ▪ Increase engagement and improve financial management in JV and Subsidiaries Companies; ▪ Improve drilling and consultancy services; and ▪ Increase revenue collection up to TZS 9.3 Billion from investments and services by June 2019. 	<ul style="list-style-type: none"> ▪ Collection from management fee increased; ▪ Collection from mineral trading improved; ▪ Collection from operating large scale mines and power project; ▪ Collection from operating medium scale mines increased; ▪ Collection from assets, drilling activities and consultancy services increased; ▪ Promotion activities of projects and services increased; and ▪ Increase exploration activities on new licenses. 	<ul style="list-style-type: none"> ▪ Revenue collection increased; ▪ Large scale mine and medium scale mines operated; ▪ Projects management improved; ▪ Mining investment fora and trade exhibitions attended; and ▪ New prospecting licenses explored and developed. ▪ Coal use for industrial and domestic use enhanced
Small Scale mining activities transformed and sustained	B	<ul style="list-style-type: none"> ▪ Monitor implementation of Small scale miners Centres of Excellence; ▪ Improve provision of mining and mineral processing 	<ul style="list-style-type: none"> ▪ Improved mining and mineral processing technologies; ▪ Small scale mining organization enhanced and persistent; ▪ Improved geological and mineral resources 	<ul style="list-style-type: none"> ▪ Access to modern mineral processing technologies and markets for ASM enhanced; ▪ Geological mineral resources information in

Development Objective/Goal	Objective Code	Medium Term Objective	Intermediate Outcome	Outcome Indicator
		<p>technologies to Small scale miners.</p> <ul style="list-style-type: none"> Enhance 2 Small scale miners' organizations operations. 	<p>information; and</p> <ul style="list-style-type: none"> Mineral processing technologies at centre of excellence improved. 	<p>ASM-held areas improved; and</p> <ul style="list-style-type: none"> Centres of excellence with mineral processing technologies established.
Corporate working facilities and capacity building developed	C	<ul style="list-style-type: none"> Percentage of staff equipped with full required office working facilities improved and attendance in short and long term training increased 	<ul style="list-style-type: none"> Working facilities improved; Qualified staff recruited and promoted; and Implementation of capacity building program. 	<ul style="list-style-type: none"> Working and services improved; and Awareness on corporate capacity building program increased;
Internal financial control, National Procurement Act and Regulations, Environment Regulations proper legal services and ICT services observed and persistent.	D	<ul style="list-style-type: none"> Transparency and accountability in the management of public funds and projects improved. Number of Unqualified audited financial reports obtained. Adherence to National procurement Act. Office ICT infrastructures 	<ul style="list-style-type: none"> Improved internal financial management; Risk free environment at working places developed; Procurement query on STAMICO activities reduced; Increase compliance to the Auditors query reduced and management of corporate contracts on activities and projects improved; Public awareness on corporate projects and services increased; Reduced contracts breaching incidences; and 	<ul style="list-style-type: none"> Unqualified Financial reports; National and International Environmental and Safety standards; Procurement plans and number of procurement queries; Number of audit query implemented by management; Number of TV and radio programs broadcasted and promotional materials printed; and

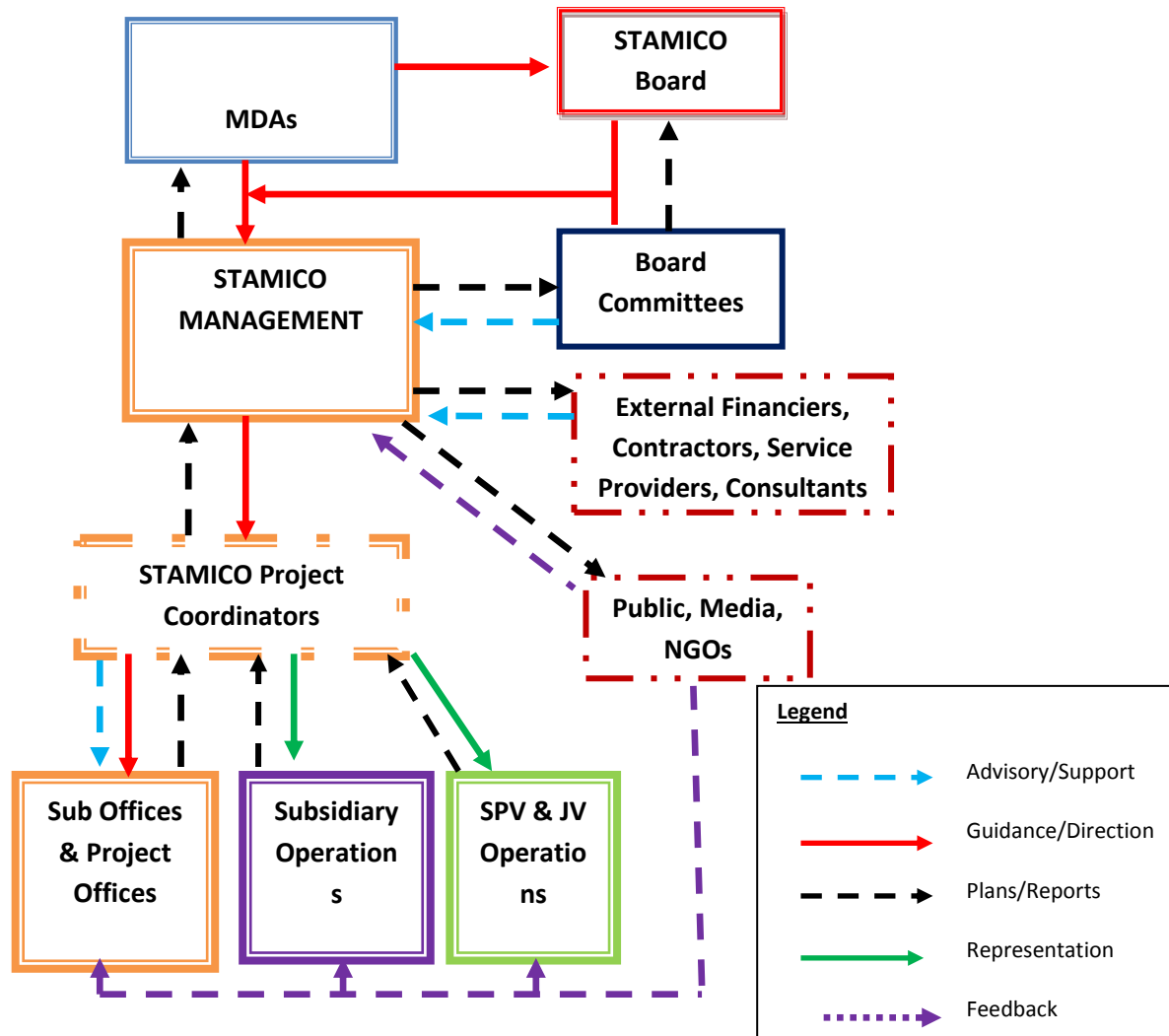
Development Objective/Goal	Objective Code	Medium Term Objective	Intermediate Outcome	Outcome Indicator
		improved.	<ul style="list-style-type: none"> ▪ ICT system serviced and maintained. 	<ul style="list-style-type: none"> ▪ Stable ICT system.
Health services improved and HIV/AIDS infection reduced.	E	Above 90% of staff to undergo voluntary HIV testing and all Identified Staff with HIV acquire supportive services	<ul style="list-style-type: none"> ▪ Reduced HIV prevalence rate; ▪ Improved supportive services to staff identified with AIDS; ▪ Increased number of staff attending HIV voluntary testing; ▪ Improved knowledge on HIV and AIDS prevention; and ▪ Behavioural Change; 	<ul style="list-style-type: none"> ▪ HIV prevalence rate; ▪ Perception of staff on quality of HIV and AIDS support services. ▪ Percentage of staff attending voluntary HIV testing; and ▪ Percentage of staff living with HIV and AIDS having access to supportive services.
National anti-corruption strategy and action plan adhered and sustained.	F	Public awareness on corruption increased.	<ul style="list-style-type: none"> ▪ Reduced bureaucracy and red tape in the delivery of services; ▪ Increased public access to efficient service delivery; ▪ Reduced corruption incidences; and ▪ Improved service delivery. 	<ul style="list-style-type: none"> ▪ Perception of the stakeholders on corruption within STAMICO; ▪ Number of corruption incidences reported; and ▪ Number of employees sanctioned for involvement in corrupt practices.

4.7 MONITORING, EVALUATION AND REPORTING

This sub-section details the monitoring, evaluation and reporting Plan for the Strategic Plan during the implementation period (2017/18 – 2020/21).

STAMICO operations are run in two different modes, namely i) own projects and sub offices located away from the head office but are directly controlled from STAMICO headquarters; ii) Projects run by Subsidiaries and Special Purpose Vehicle Companies (SPV), which have no direct control from STAMICO headquarter. This situation is depicted in the Figure One below.

Figure 1: Conceptual Model of STAMICO Modes of Operation and Reporting

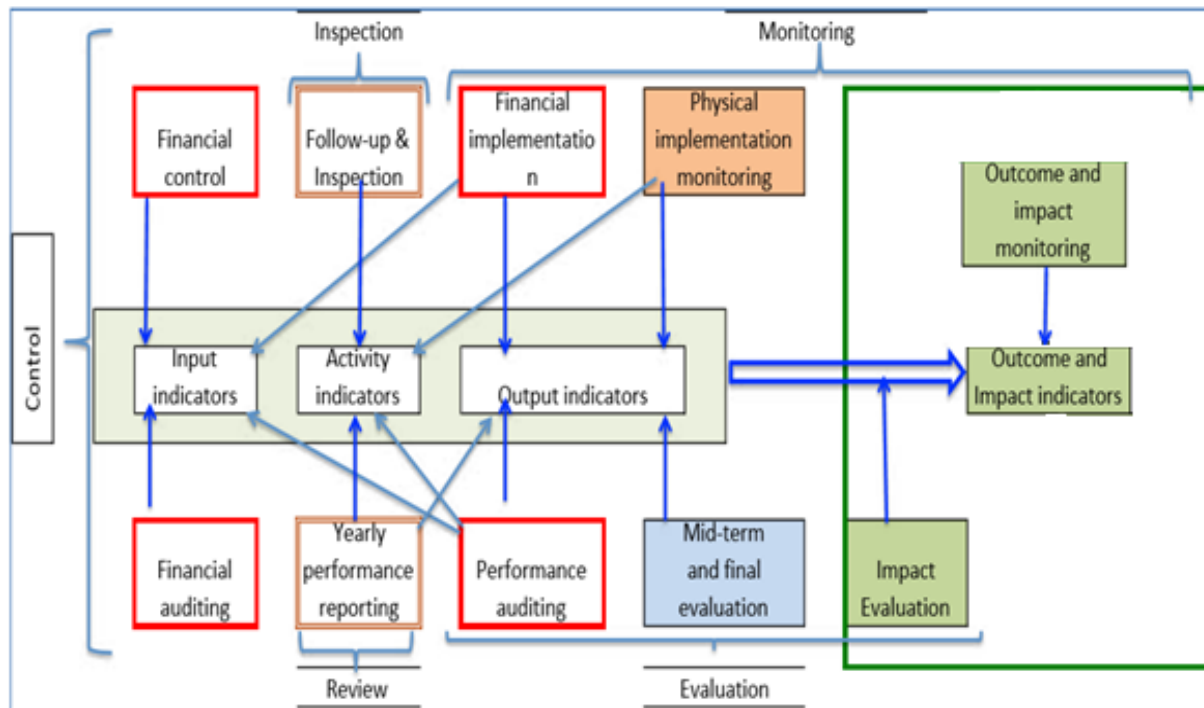


The improved monitoring plan will enhance STAMICO’s control and knowledge of all such activities. On the other hand, STAMICO has statutory requirement to report to Ministry of Minerals and Ministry of Finance as well as to other Government Agencies as may be required from time to time.

The Corporate website provides active interface between the Corporation and the Public. The website is designed to be public-friendly for sharing of information and feedback. Figure xx depict

STAMICO’s conceptual framework for monitoring, evaluation and reporting.

Figure 2: **Conceptual Framework for Monitoring, Evaluation and Reporting**



4.7.1 Monitoring Plan

The monitoring plan consists of indicators, baseline data for each indicator, indicator target values, data collection and methods of analysis, indicator reporting frequency and the officers who will be responsible for data collection, analysis and reporting. The presented indicators will be reported on semi-annual basis as per financial year, tracking of the indicators will be made on quarterly basis.

The Corporation will use the baseline data/information to compare with the achievements. The envisaged monitoring will look at both process and end result:-

- How and what activities were accomplished;

- Examine the progress - whether activities are implemented according to plan;
- Scrutinize the process - how activities are done and who are involved/organized; and
- Measure effect – what was the end result?

Outputs will be verified through field inspections and visits, stakeholder workshops and meetings, documentations such as minutes of meetings, back to office reports, progress reports; and analytical reports (e.g. annual mining statistics. Data collection and processing procedures will be developed for the purpose. Collecting and monitoring data on indicators will enable the Corporation management and the stakeholders to:

- Assess progress against planned targets and adjust targets to realities;
- Assess efficiency and effective use of resources;
- Identify bottlenecks and timely find corrective action;
- Ensure that best practices are being maintained;
- Provide a record of lessons learnt;
- Provide an information base for future evaluations;
- Provide the basis for improved planning; and
- Identify cause and rectify immediately.

4.7.2 MONITORING METHODS

The following methods will be used:

- Management Information System (MIS) that provides regular information on all aspects of activities and costs and information on expected changes;
- Periodic site surveys/visit that check on project parameters/elements that are critical to the achievement of Strategic objectives; and
- Occasional in-depth studies.

The monitoring and evaluation matrix is detailed below:

Table 9: Monitoring and Evaluation Matrix

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
1	<p>Revenue collection from investments in mining operations, mineral trading, geological, drilling and consultancy services collected.</p> <p>This indicator aims to measure the extent to which revenue is collected from various mining investments and activities.</p> <p>It is measured by management fee and dividend collected from TML.</p>	01.07.2017		TZS 1.0 B	TZS 1.1 B	TZS 1.2 B	TZS 1.3 B	STAMICO	Financial Reports	Annually	CA
	Management fee and dividend collected from STAMIGOLD	01.07.2017		TZS 230 M	TZS 383 M	TZS 441.3 M	TZS 500.4				

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
	Cash collection from Buckreef project including penalties results from delay of mining production	01.07.2017									
	Revenue collected from operating Kiwira Coal Mine and 200MW Power project,	01.07.2017	0	0	0	0	TZS 2.0 B				
	Revenue collection from Buhemba gold project,	01.07.2017	0	0	0	0	0				
	Revenue collection from Kabulo Coal Project,	01.07.2017	0	TZS 410 M	TZS 451 M	TZS 496.1 M	TZS 545.7 M				
	Revenue collection from Quarry aggregate project,	01.07.2017	0	TZS 300 M	TZS 400 M	TZS 500 M	TZS 600 M				
	Revenue collection from Industrial minerals project.	01.07.2017	0	0	TZS 20 M	TZS 21 M	TZS 22 M				
	Revenue collection from Kyerwa Tin project.	01.07.2017	TZS 1.06 B	0	TZS 10 M	TZS 11 M	TZS 12 M				

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
	Revenue collection from drilling activities, mining, geological, mineral processing and environmental consultancies.	01.07.2017	TZS 4.58 B	2.1 B	2.3 B	2.5 B	2.8 B				
	Revenue collected from Corporation assets.	01.07.2017	TZS 178.5 M	59.5 M	59.5 M	59.5 M	59.5 M				
	Number of mining consultancy offered	01.07.2017	2	3	3	4	4	STAMICO	Performance Reports	Monthly, Quarterly, Annually	DMES
	Number of mineral processing consultancy offered	01.07.2017	2	2	3	3	3				
	Number of environmental consultancy offered	01.07.2017	0	1	1	1	1				
2	Investors for joint-venture partnership in the development of mineral properties, mining and mineral processing projects secured.	01.07.2017	0	1	1	1	2	STAMICO	Annual Reports	Annually	DIM

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
	<p>This indicator aims to measure the extent of new minerals prospecting license developed through potential Joint Venture partnership.</p> <p>It measured by Number of JV Partner secured for potential Corporation projects.</p>										
3	<p>Exploration mineral prospecting licenses increased.</p> <p>This Indicator aims to measure new prospecting licenses explored by the Corporation.</p> <p>It is measured by Number of mineral prospecting licenses explored</p>	01.07.2017	5	4	4	4	4	STAMICO	Annual Reports	Annually	DED

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
4	<p>Number of Small Scale miners provided with access of improved mining and mineral processing technologies increased.</p> <p>This indicator aims to measure the extent to which Small Scale miners provided with improved mining and processing technologies.</p> <p>It is measured by: Number of small scale miners improved with mineral processing technologies.</p>	01.07.2017	0	20	20	20	20	STAMICO	Annual Reports	Annually	DMES
5	<p>Small scale miners' organizations operations enhanced.</p> <p>This indicator aims to measure number</p>	01.07.2017	0	1	1	1	2	STAMICO	Annual Progress report	Annually	DMES

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
	of small scale miners' organization enhanced in their operations. It is measured by the number of small scale miners organization enhanced										
6	Number of small scale miners provided with access of geological and mineral resources information increased. This Indicator aims to measure number of Small Scale miners access geological and mineral resources information. It is measured by number of Small Scale Miners provided with access	01.07.2017	0	10	10	10	10	STAMICO	Annual Progress report	Annually	DMES

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
	of geological and mineral resources information.										
7	<p>Research based training on improved mineral processing technologies conducted to small scale miners in the established Centres of Excellence;</p> <p>This indicator aims to measure number of small scale miners accessed to mineral processing technologies in the established Centers of Excellence.</p> <p>It is measured by number of Centers of excellence established with mineral processing technologies</p>	01.07.2017	0	1	1	1	2	STAMICO	Annual Progress report	Annually	DMES

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
8	<p>Working facilities and environment improved.</p> <p>This indicator aims to measure the extent of working facilities and environment improved.</p> <p>It is measured by Percentage of staff equipped with full required office working facilities</p>	01.07.2017	70%	80%	85%	90%	100%	STAMICO	Annual Progress report	Annually	DHRA

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
9	<p>Improve service delivery by staff through filled persistent vacant and capacity building program implemented.</p> <p>This indicator aims at measuring the extent of staff recruited and capacity building program implemented.</p>							STAMICO	Annual Progress report	Annually	DHRA
	It is measured through; <p>Number of new qualified staff recruited</p>	01.07.2017		8	4	4	4				
	Number of staff promoted	01.07.2017	0	10	10	15	15				
	Number of staff attending long courses	01.07.2017	25	2	2	2	2				

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
	Number of staff attending short courses	01.07.2017	33	15	18	20	25				
10	Adherence to Procurement Act ad regulations improved. This indicator aims at measure the extent to which the Corporation adhere National Procurement Act and Regulations. It is measured by number of procurement plans prepared and submitted	01.07.2017	1	1	1	1	1	STAMICO	Annual Progress report	Annually	HPMU
11	Contract Management and Legal compliance Improved. This indicator aims at measuring the extent of improve in corporate legal	01.07.2017	50%	78%	80%	82%	85%	STAMICO	Annual Progress report	Annually	CS

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
	services. It is measured by percentage decrease in mineral disputes										
12	Public awareness on Corporation projects, activities and services improved. This Indicator aims at measuring the extent of awareness on Corporation activities and services It is measured by number of TV, radio programs and promotional materials printed	01.07.2017	6	6	8	10	12	STAMICO	Quarterly & Annual Progress reports	Quarterly	DIM
13	Transparency and accountability in the use of public funds improved. This Indicator aims at improving the use of Corporate funds	01.07.2017	2	1	1	1	1	STAMICO	Annual Progress report	Annually	CA

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
	through obtaining unqualified financial reports. It is measured by Number of Unqualified audited financial reports.										
14	Transparency and accountability in the management of public funds and projects improved. This Indicator aims at improving management of Corporate funds and projects through Internal Auditor recommendations. It is measured by Percentage of internal audit recommendation implemented by management	01.07.2017	60%	88%	90%	90%	90%	STAMICO	Annual Progress report	Annually	CIA

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
15	Operationalize Fibre Optic Infrastructure and Local Area Network installed. This Indicator aim to improve ICT infrastructure and maintain proper ICT usage. It is measured by Number of Peripherals procured, rehabilitated and serviced	01.07.2017	2	4	4	4	4	STAMICO	Quarterly & Annual Progress reports	Quarterly	HICT
16	National and International Environmental standards improved to all STAMICO projects and activities; This Indicator aims to improve compliance of National and International	01.07.2017	85%	100%	100%	100%	100%	STAMICO	Quarterly & Annual Progress reports	Quarterly	DMES

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
	Environmental and Safety standards in working places It is measured by percentage of Compliance to environmental ads safety laws and regulations										
17	Staff undergone Training and voluntary HIV testing increased. This indicator aims to measure the extent of staff readiness on undergone training and HIV testing. It is measured by percentage of staff undergone voluntary HIV testing	01.07.2017	35%	Above 90%	Above 90%	Above 90%	Above 90%	STAMICO	Quarterly & Annual Progress reports	Quarterly	DHRA
18	Supportive services to Staff with HIV improved.	01.07.2017	0	Support all identified HIV	All identified HIV affected	All identified HIV affected	All identified HIV affected	STAMICO	Quarterly & Annual Progress	Quarterly	DHRA

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
	<p>This indicator aims at measure the extent of staff with HIV receive supportive services</p> <p>It is measured by number of Staff with HIV receives supportive services</p>			affected staff	staff	staff	d staff		reports		
19	<p>Number of staff visiting PCCB for corruption incidences</p> <p>This indicator aims to measure the extent to which staff attend to Anti-corruption seminars corruption incidences are reported</p> <p>It is measured by taking no. incident</p>	01.07.2017	1	0	0	NA	NA	STAMICO	Quarterly & Annual Progress reports	Quarterly	DHRA

S/N	Indicator and Indicator Description	Baseline		Annual Targets				Data Source	Means of verification	Frequency of Reporting	Responsible
		Date	Value	Y 1	Y 2	Y 3	Y 4				
	reported										

4.8 Planned Reviews

This will consist of review meetings, and planned milestones reviews including their frequencies.

4.8.1 Review Meetings

Quarterly meetings will be conducted to track progress on the milestones, activities and targets critical for achievement of the corporate strategic objectives. These meetings will include the following:

Table 10: Review Meetings

S/N	Type of Meeting	Frequency	Designation of the Chairperson	Participants
1	Board of Directors	Quarterly	Board Chairperson	Members of BOARD and other members of management team
2	Planning, Investment, Human resources and Administration Committee	Quarterly	Chairperson	Members of Board and members of management team
3	Audit Committee	Quarterly	Chairperson	Members of Board and members of management team

4.8.2 Planned Milestone Review

The reviews will be tracking progress of implementation for the milestones and targets on semi-annual and annual basis. It will focus on determining whether the planned activities are moving towards achieving the annual targets and will find out whether they are on track, off track, or at risk. In addition, the review will track any changes in terms of outputs realized over the period as well as assessing issues, challenges and lessons learnt over the year and to what extent the outputs delivered are contributing towards achievement of the objectives. The review findings will be used to adjust implementation strategies whenever necessary.

4.8.3 Evaluation Plan

The Evaluation Plan consists of the evaluations studies to be conducted during the Strategic Planning Cycle, description of each study, evaluation questions, the methodology, timeframe and the responsible person. The evaluations intend to obtain evidence as to whether the interventions and outputs achieved have led to the achievement of the outcomes as envisioned in the Strategic Plan outputs.

Essentially the evaluation will focus on comparing the before and after situation, in terms of the following key areas:

- Results of projects – have the project targets been achieved?
- Efficiency - i.e. has value for money been observed?
- Development soundness - i.e. ROI, Is it sustainable? What are the effects on the environment on community?
- Changes or Improvements in Doing Things e.g. are the ASM managing their activities sustainably?

4.8.4 Evaluation Methods

The methods will include:

- Comparison of project outputs before and after the implementation through the use of baseline information, especially on output parameters of project;
- Frequent visits to project areas and collection of performance data during implementation;
- Review of progress reports from Project Operators; and
- Review of economic survey data and statistics on mining.

Monitoring and evaluation processes are expected to provide the feedback and lessons that will help the Corporation to be steered to its set goals. Evaluation will be performed as follows.

(i) Initial evaluation – Baseline studies

STAMICO Project Coordinators and Section Managers will be responsible for undertaking the evaluation, following commencement of the project to review the actual situation against baseline parameters of each project in order to update and further elaborate implementation aspects of the project. By conducting this evaluation exercise, the project has the chance to be revised if the current situation differs much from the initial context.

(ii) Quarterly evaluation

STAMICO Management and the Board of Directors for STAMICO, JV companies and Subsidiaries will be responsible for carrying out evaluation of this Strategic Plan. The evaluation will be carried out for each quarter, in order to review the implementation progress and, if necessary, to recommend adjustments.

(iii) Annual evaluation

The Board of Directors for STAMICO and Boards for each JV or Subsidiary will be responsible for coordinating and conducting the

annual review process. Annual evaluation will be conducted within one month after every calendar year.

The Corporation Management will be responsible in conducting the evaluations studies through consultancies and the outcome will be submitted to the Board of Directors for deliberations and actions.

4.9 REPORTING PLAN

This sub-section details the Plan for internal and external reporting.

4.9.1 Internal Reporting Plan

This plan will involve preparation of various reports, from departments and Units weekly, monthly, Quarterly and Annual basis or as may be required from time to time. The Reporting Plan is detailed below:

Table 11: Internal Reporting

S/N	Type of Report	Recipient	Frequenc y	Responsible Person
1.	Performance Reports	Board Committees	Quarterly & Annually	Directors/Heads of Units/Departments
3.	Internal audit reports	Audit Committee	Quarterly	Chief Internal Auditor
4.	Financial reports	Finance and Administration Committee	Quarterly & Annually	Director of Finance
4.	Investment reports	Investment and Planning Committee	Quarterly & Annually	Director of Investment and Marketing

4.9.2 External Reporting Plan

This plan will involve preparation of various types of reports such as Quarterly reports, Semi-annual reports, Annual reports, financial reports and five year Outcome report to be submitted to various external stakeholders, including Ministry, Controller and Auditor General, Development Partners, the Parliament and the General Public. The reports will be prepared on quarterly, annually or on demand basis from time to time. The reporting plan will be in accordance with the statutory requirements as directed from time to time, as well as the Government Performance reporting requirements as stipulated in the Medium Term Planning and Budgeting Guidelines and the Medium Term Strategic Planning and Budgeting Manual.

Table 12: External Reporting

S/N	Type of Report	Recipient	Frequenc y	Responsi ble Person
1.	Budgetary Performance reports	Treasury/ME M	Quarterly & Annually	DIM
2.	Monthly Financial performance reports	Treasury	Monthly	DF
3.	Annual Cash flow	Treasury Registrar and CAG	Annually	DF
4.	Five Year Development Planning	Treasury Registrar and MEM	On demand	DIM
5.	Ruling Party Election Manifesto Implementation	MEM	On demand	DIM

6	Procurement reports	PPRA/MoF/CAG	Monthly	HPMU
7.	Recruitment reports	PSC/PO-PSM	Quarterly/ Annually	DHRA
8.	Anti-Corruption	PCCB/TPF/MoF	On demand	DHRA
		Ethics secretariat		

4.10 FINANCIAL ASPECTS OF THE 2017-2022

To implement this plan the STAMICO need not only to allocate responsibilities to individuals but also to mobilize, allocate and invest resources.

4.10.1 Financial Resources Requirements

The successful implementation of the Strategic Plan requires effective mobilization of sufficient financial and non-financial resources. The financial requirements for the implementation of the 2017/18 – 2018/19 Strategic Plan is TZS 24.8 Billion mainly to be utilized in the implementation of Development projects as listed in table 13 below.

Table 13: Projects to be implemented under this Strategic Plan

No	Name of the Project	Funds Required (TZS)	Time to be Implemented
1.	Kabulo-Kiwira	10 Billion	July 2017
2.	Buhemba	8.9 Billion	July 2018
3.	Stone Quarry	4.4 Billion	July 2018
4.	Re-operationalization of Tin Buying Project	1.0 Billion	December 2019
5.	Development of Corporation's licenses (20 Licenses)	500 Million	July 2018 to June 2021
Total		24.8 Billion	

CHAPTER FIVE:

RISK MANAGEMENT

5.1 INVESTMENT RETURNS AND RISK

All investments are exposed to varying degrees of risk. It is given that an investor must take risk in order to achieve rates of return above a risk-free rate of return. Because the risk-free rate of return is near zero; most investors are being forced to accept additional risk to achieve investment returns that will meet their long term goals. Investments with high returns are normally associated with high risk and vice versa.

It is therefore important to manage risks, to minimize risks or losses that impact the Corporation's income from investments. Avoiding losses will positively impact the benefits provided to all stakeholders and the nation as whole.

5.2 KEY RISKS STAMICO WILL FACE

In undertaking the investment function, the Corporation will ensure effective strategies are in place to manage investment risks facing the Corporation. The following are risks that may arise during the Corporation Investment arena:-

- i. **Market Risk:** These risks are associated with global prices for mineral products. Starting from 2012, the mining industry had been affected by global recession that leads to decline in mineral prices such as gold, copper, uranium, tin etc. Fluctuation of global mineral prices affects significantly the profit of the Corporation investment.
- ii. **Operational Risk:** In mining operations, there are unexpected failure in day to day operations including technical failure of machines. In any case failure to operate the mining activities

would delay execution of activities that leads to loss.

- iii. **Exchange rate Risk:** Tanzanian mineral sector depends on global markets for both inputs importation and final goods exportation. Fluctuations in the exchange rate tend to affect the sector positively if the exchange rate is in favor of Tanzania and negatively in a negative way. In the present era of increasing globalization and heightened currency volatility, changes in exchange rates have a substantial influence in operations and profitability of the Corporation and its subsidiary companies as well as JV partnership.
- iv. **Inflation Risk:** This risk is the probability that the value of the Corporation assets and investments are negatively affected by changes in inflation. It is the risk that future inflation will cause the purchasing power of cash flow from Corporation investment to decline.
- v. **Liquidity Risk:** The Corporation is faced by this risk when it fail to acquire cash required to meet short or intermediate term obligations. In many cases, capital is locked up in assets that are difficult to convert to cash when it is required to pay bills.
- vi. **Strategic Risk:** It's the risk that company's strategy becomes less effective and it struggles to reach its goals as a result. It could be due to technological changes, a powerful new competitor entering the market, shifts in customer demand, spikes in the costs of raw materials, or any number of other large-scale changes. STAMICO can face such risk due to failure to get funds for its strategic projects as well as fall in metal and mineral prices in the World market.
- vii. **Compliance Risk:** Amendments on the Mining Act 2010 pose compliance risk to STAMICO such as the addition of 1%

clearance fee for minerals on top of royalty to its mineral products. STAMICO is required to comply with this new guideline that didn't exist before.

- viii. **Financial Risk:** Most categories of risk faced by STAMICO have a financial impact, in terms of extra costs or lost revenue. Example is the case of TML 2.5% management fees which was expected to flow to STAMICO once stopped results into a sudden financial loss as well as flow of funds from Government on a monthly basis.
- ix. **Credit or Default Risk:** Credit or default risk happen when Corporation fail to pay contractual interest or principal on its debt obligations. Typically, investments with a higher credit risk pay a higher rate of interest. Credit risk fluctuates with time as the financial condition of a debtor changes. Credit risk can result in a delayed flow of payments, loss of principle and in many cases results in legal costs as creditors may need to launch legal action in an attempt to recoup losses.
- x. **Reputational Risk:** In mining operations or any other business, reputation is everything. If the Corporation reputation is damaged, the immediate loss of revenue will be realised, as customers become worry of doing business with the Corporation. Reputational risk can take the form of a major lawsuit, an embarrassing product recall, negative publicity about the Corporation or its staff, or high-profile criticism of the Corporation products or services.
- xi. **Talent and IT risks:** STAMICO is faced by these risks since a number of staff have left the Corporation to look for green pastures and also the Corporation is faced by IT risk which include data integrity, data leakage, loss of intellectual property and cybercrime.

5.3 RISK MITIGATION STRATEGIES

This is a systematic process of reducing risk of loss from the occurrence of any undesirable event within the Corporation. This is important elements for any Corporation business so as to avoid unnecessary losses. Risk mitigation involves the use of appropriate techniques in order to assess the risk associated within the investments undertaken by the Corporation and to decide the appropriate measures to eliminate/mitigate the risks. The Corporation will take the following measures to deal with risks: -

Sharing Risk: The Corporation will engage in partnerships in developing its projects as a strategy to minimize associated risks.

Risk Shrinking: The Corporation will apply trade hedging methods that can absorb the effects of many risks without jeopardizing the projects or investment. This will be used as a strategy to minimize risks and their associated features.

Risk Spreading: The Corporation will use diversification strategy to mitigate the risk in business venture. This is actually through investing in various mineral products to avoid effect resulted from decline of certain mineral price.

Risk Limitation is a common risk management strategy used in business environments. The Corporation will apply this strategy by employing a bit of risk acceptance along with a bit of risk avoidance (average of both) to protect the Corporation's exposure.

Risk Avoidance: The Corporation will apply the use of this strategy to mitigate the risk associate in business venture by changing the parameter of the projects or investments. The strategies seek to reconfigure the projects or investments such that the risk associated is reduced to acceptable level.

Risk Control: The Corporation will use this strategy by taking necessary steps to reduce, mitigate or otherwise manage the impacts or likelihood of the risk associated in the business venture the Corporation is dealing with.

Risk Acceptance: The Corporation will apply this strategy when the cost of the risk management options such as avoidance or limitation may outweigh the cost of the risk itself. In a situation where the possibility of occurrence is rarely the Corporation will also apply this strategy to mitigate the associated risks.